SENATE BILL No. 510

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-37-7.

Synopsis: Penalty for incomplete personal property returns. Imposes a penalty on a personal property taxpayer that fails to include on a return the information necessary for the township assessor to assign the appropriate assessed value to the return. The penalty is the lesser of 10% of the taxes on the assessed value determined by the township assessor or \$1,000.

Effective: July 1, 2005.

Young R Michael

January 18, 2005, read first time and referred to Committee on Tax and Fiscal Policy.





First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

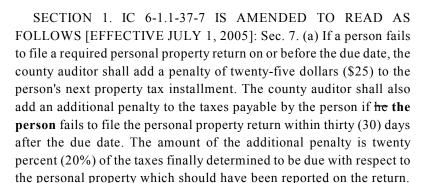
Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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SENATE BILL No. 510

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:



- (b) For purposes of this section, a personal property return is not due until the expiration of any extension period granted by the township assessor under IC 6-1.1-3-7(b).
- (c) The penalties prescribed under this section do not apply to an individual or his the individual's dependents if he: the individual:
 - (1) is in the military or naval forces of the United States on the assessment date; and



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1	(2) is covered by the federal Soldiers' and Sailors' Civil Relief
2	Act.
3	(d) Subject to subsection (h), if:
4	(1) a person subject to IC 6-1.1-3-7(d) fails to include on a
5	personal property return the information, if any, that the
6	department of local government finance requires under
7	IC 6-1.1-3-9; or IC 6-1.1-5-13, and
8	(2) the township assessor:
9	(A) is unable as a result of the person's failure under
10	subdivision (1) to:
11	(i) identify which property reported on the return is
12	subject to assessment; or
13	(ii) otherwise determine the amount of personal property
14	assessed value the person intends to report on the return;
15	in the township assessor's township; and
16	(B) corrects the deficiencies described in clause (A) and
17	assigns a personal property assessed value to the return;
18	the county auditor shall add a penalty to the property tax installment
19	next due for the return.
20	(e) The amount of the penalty under subsection (d) is twenty-five
21	dollars (\$25). the lesser of:
22	(1) ten percent (10%) of the taxes finally determined to be due
23	with respect to the personal property assigned by the
24	township assessor to the person's personal property return
25	under subsection (d)(2)(B); or
26	(2) one thousand dollars (\$1,000).
27	(e) (f) Subject to subsection (h), if the total assessed value that a
28	person reports on a personal property return is less than the total
29	assessed value that the person is required by law to report and if the
30	amount of the undervaluation exceeds five percent (5%) of the value
31	that should have been reported on the return, then the county auditor
32	shall add a penalty of twenty percent (20%) of the additional taxes
33	finally determined to be due as a result of the undervaluation. The
34	penalty shall be added to the property tax installment next due for the
35	return on which the property was undervalued. If a person has complied
36	with all of the requirements for claiming a deduction, an exemption, or
37	an adjustment for abnormal obsolescence, then the increase in assessed
38	value that results from a denial of the deduction, exemption, or
39	adjustment for abnormal obsolescence is not considered to result from
40	an undervaluation for purposes of this subsection.
41	(g) If a person fails to include on a personal property return the
42	information, if any, the department of local government finance



1	requires under IC 6-1.1-5-13, the county auditor shall add a	
2	penalty of twenty-five dollars (\$25) to the property tax installment	
3	next due for the return.	
4	(h) If a township assessor assigns personal property assessed	
5	value to a personal property return based on the failure of a person	
6	to provide information under subsection (d) or an undervaluation	
7	under subsection (f), the county auditor may not apply both:	
8	(1) the penalty under subsection (d); and	
9	(2) the penalty under subsection (f);	
10	based on that assignment.	
11	(f) (i) A penalty is due with an installment under subsection (a), (d),	
12	or (e) (f), or (g) whether or not an appeal is filed under IC 6-1.1-15-5	
13	with respect to the tax due on that installment.	
14	SECTION 2. [EFFECTIVE JULY 1, 2005] IC 6-1.1-37-7, as	
15	amended by this act, applies only to personal property returns filed	
16	after June 30, 2005.	

